

***Full Cost Decision Memorandum: Graduate studies leave (WF-14)***

***Issue:***

How are employees on graduate studies leave planned and managed?

***Source / reference:***

LaRC Full Cost Implementation Team (2003-2004)  
LaRC Office of the Chief Financial Officer (OCFO)

***Background:***

LaRC is a supportive working environment for those employees wishing to improve their skills through graduate studies. For many students pursuing doctorates and for some students pursuing masters degrees, the Center supports the employee by allowing them to pursue their course work full-time at their respective universities. During this graduate leave the employees receive full salaries and benefits. In a full cost environment the cost associated with salaries and other related costs must be accounted for at the Center. For R&T employees, students on graduate leave are considered indirect employees and salaries and related costs are spread as service pool costs. For program office employees their costs are considered direct costs to the program and their work must be “backfilled” while they are on graduate leave.

***Options:***

1. No change to the current policy
2. Change the policy such that employees on graduate leave have associated costs accounted for and spread in a consistent manner.

***Decision:***

Option 2. All employees that are approved to be on graduate studies leave should charge to the established account in Center G&A in accordance with the Center labor charging policy.

***Approved by LaRC CFO (Ken Winter) 10/17/03***

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